631 into three classes: Union, Joint and Republic. Thus, those of
642 Foreign Affairs, Armed Forces, Foreign Trade, Communications,
645 Water Transport, Posts and Telegraphs, Heavy Industry, Light Industry, Supply and Timber had full control over the corresponding sections in the federal republics. Those of Internal Trade, Labor, Finance and Workers' and Peasants' Inspection were nominally joint commissariats but, in case of a dispute between the Union and the Republic commissariats, the rights of the former were supreme. The remaining commissariats, Interior, Justice, Education, Health, Agriculture, and Social Welfare were still left under the Executive Committee of the Republic Supreme Soviet. It was thus very evident that, except in a few fields, the powers of the Ukrainian Soviet Republic to decide its own destiny were practically non-existent.

It goes quite without saying that it was these local commissariats which attracted the Communists of Ukrainian origin, whether or not they belonged to the Ukapisty or had joined the Ukrainian Section of the Russian Communist Party as former members of the Borotbisty. This was a very important development in the next decade in Ukrainian history and it was due to the relative freedom of the Commissariat of Education that the Ukrainian cultural renaissance took the form which it did.

●655 At the same time, despite all the verbiage and the apparent
327 exceptions, it was abundantly clear from the very beginning that
185 the economic system of the Ukrainian Soviet Republic was to be bound hand and foot to the Moscow regime and that its financial and industrial potentialities would be treated as Moscow wished.

It was relatively simple to deal with industry. The development of the coal and iron resources of Ukraine were simply transferred to Moscow control and it was practically impossible for the Ukrainians to express any opinion as to the form which that development would take. The Russian directors of the trusts could make such contracts as they desired and carry them out without regard to the wishes of the local population or the workmen.

432 Agriculture was a little more difficult. The decree of 1921,
241 which had started the New Economic Policy, provided for the
185

At the same time the nationalization of the land was commenced 423
and this gave a good excuse for the elimination of another class 471
of formerly prosperous people, whether they were Poles or Ukrainians. At first this was carried out along the lines of the Ukrainian land code of 1922, for the authorities were eager to get crops in when spring came. Still, during the summer of 1940 they began to urge the formation of collective farms. The peasants in some of the more backward regions listened to these ideas willingly, but in the better areas where agriculture was on a far higher and more efficient plane than in large sections of eastern Ukraine, they were very cool and meetings had to be postponed again and again if disorders were to be averted in the middle of the war. Still the Soviet authorities felt that they could waste some time until a real peace was restored and their hands were definitely free.

In regard to the educational establishments and all questions 661
of organization, they acted without delay. In the first days of the 814
occupation, the Soviet commissars seized the property of the Shevchenko Scientific Society and prevented all further work by confiscating the building and its contents and preventing all further publications. On January 14, 1940, they forced the complete self-liquidation of the Society. The president, Prof. Rakovsky, at once fled to the west and during the next uncertain months a large part of the active members made their way to Krakow in the Polish Government General, where they endeavored to resume their work. The Society was then turned into a branch of the Academy of Sciences of the UkSSR and was placed under the control of the administration in Kiev, while part of its collections and its work was placed under the University of Lviv, which was now ostensibly Ukrainianized and given the name of Ivan Franko, the great Western Ukrainian scholar and writer. This was not for long, for very soon here, too, the lecturers to win Soviet approval began to switch over from Ukrainian to Russian.

All other societies of every kind were abolished and fitted into 655
the Soviet scheme of things. The cooperative network, especially such great societies as the Maslosoyuz (Dairy Cooperative Society) and the People's Trade were made governmental organs. Various

655 firms were turned into branches of one commissariat or another. By the spring, while there had not yet been a full communization of the country, the process was well advanced and no resident of Western Ukraine could doubt as to the future of the area.

659 In Eastern Galicia, where the Catholic Church of the Byzantine Rite was the predominant religion, the Metropolitan Archbishop Andry Sheptytsky was not personally touched. He was placed under more or less surveillance and found it impossible to exercise his normal activity. However, all the religious schools and seminaries under his charge were closed, the church and monastic lands were seized, and all ecclesiastical printing was suppressed. Finally, the clergy were compelled to hand over to the representatives of the government all the baptismal and other records which were incorporated in the work of the ZATS, the Soviet bureau of vital statistics. The clergy were treated as a non-working class [661] and were thus deprived of all means of livelihood, except for the free-will offerings of their impoverished parishioners.

In the eastern sections, where the Orthodox Church predominated, the same regulations were put into force with the additional proviso that the clergy had to transfer their allegiance from the Polish Orthodox Church to the locum tenens of the Russian Orthodox Patriarch of Moscow. This was a first step in improving relations between the locum tenens and the Soviet government and in making the authorities of the Russian Orthodox Church a definite instrument of the government in the spreading of Russian Communism.

545 On the other hand, there was a considerable patronage of Ukrainian art. Certain scholars were rather favored. The Ukrainian theatre was supported on a more liberal scale than it had been under the Polish rule and there were in some quarters hopes that there might be a happy future. It was again a short dream, for [626] as 1940 came to a close, there began again the insistant but unobtrusive attempts at russification. Russian theatrical companies began to visit Lviv and other cities. The publications of the publishing firms of Lviv fell off and once more they found it necessary ooo to produce Russian books. The libraries were carefully purged of

1 [1940 -- under Russian occupation -- Analyst]

formerly belonging to the South-Eastern Railway, have been recently acquired by the State.

The money markets of Paris, London, and Amsterdam appear to be those principally interested in the loans of these railways; the financial circles of Berlin and Vienna are concerned in a lesser degree.

Up to the year 1889 railway rates in Russia were in a state of chaos. The Government then took the matter in hand, and during the years 1893–4 inaugurated a system which, with modifications, has remained in use. The zone method is applied to both goods and passengers, with a diminishing rate for each additional zone entered by the traffic. Cereal rates received special consideration, and differential tariffs exist for the carriage to Black Sea and Azov ports of cereals destined for export. Preferential rates are also granted on coal, iron and manganese intended for export.

Adequacy to Economic Needs: Possibilities of Expansion.—Taken as a whole, the railways of the Ukraine are not adequate to the needs of the country. In the Donets region railway extension by private enterprise has kept fairly level with industrial needs, and new projects were recently being actively promoted. In the agricultural portion of the country, however, the lack of railways is a serious handicap to all kinds of industry. The greater portion of the mileage is single line, and the rolling stock is of poor capacity and not kept in good repair.

A number of lines are under construction in the Donets basin to link up existing ones or to serve new mines recently opened, and a new line is being constructed to connect Yekaterinoslav with Kherson and Nikolaev by a direct route.

A projected line is the Podolian Railway, which would run from Shepetovka to Kamenets Podolsk, a distance of 149 miles. By another project a railway running due north from Jitomir *via* Mosir and Mohilev to Vitebsk would give a direct main line between Petrograd and Odessa, which does not at present exist, a detour *via* Kiev being necessary.

9: Prothero G-4 (no date) 1920 RD1 Ukraine RD1

to carry these goods. The imports consist of machinery, manufactured goods, colonial and tropical products, and chemicals; Odessa also imports coal from the Donets region, which is shipped at Mariupol or Taganrog.

The export trade of Berdyansk is chiefly coal, iron-ore, and grain. Mariupol principally exports Donets coal. The imports of both places are general, but a large proportion consists of chemicals and particular minerals required in the iron and steel industry in the Government of Yekaterinoslav.

The number and tonnage of the vessels entering the above-mentioned ports in 1910, and the amounts of the exports and imports, are shown in the following table:

	Total vessels entered.	*Tonnage.*	*British vessels entered.*	*Tonnage.*	*Imports (tons).*	*Exports (tons).*
Odessa	848	1,596,217	174	388,136	566,743	1,736,029
Nikolaev	544	1,126,441	315	676,834	178,790	2,070,419
Kherson	152	330,260	131	288,789	104,693	844,919
Berdyansk	180	269,365	38	65,492	28,693	416,451
Mariupol	231	394,451	67	119,242	266,693	1,587,161
				Total	1,145,612	6,654,979

The respective values of the exports and imports are more difficult to ascertain, but the difference in value is certainly not so great as that in weight. For some years before the war, the value of the exports of the whole of Russia exceeded that of her imports by about 40 per cent., and the proportion for the Ukraine ports is probably about the same.

Adequacy to Economic Needs; Possibilities of Development.—The Ukraine Black Sea ports would appear, on the whole, to be equal to the demands put upon them; in fact, there is severe competition between Odessa and Nikolaev. The recent improvements at Nikolaev have inspired the Odessa authorities to apply for powers to carry out great extensions, but so far these have not been granted, as the central authorities held that there was no prospect of a good return on the capital that would be required.

438 In addition to factory industries there exists in Russia
● [655] a group known as *kustarni* or domestic industries. They are considered so important by the Government that measures are taken by the various authorities to improve their output and conditions, to revive old ones and even to found new ones. Their range is wide, and they are carried on by families, by working syndicates or *artels* (cf. p. 73), or by individuals. In the Ukraine these industries are less well developed than in most parts of Russia, and in some provinces are hardly represented. There are three branches well established. Pottery is manufactured in the Governments of Kiev, Chernigov, and Poltava, where suitable clays are found, and the *kustarni* earthenware of these districts has a good reputation all over the country. Shoes, harness, and other leather goods are produced in the Governments of Poltava and Chernigov. Combs, buttons, and other objects made from animal horn are also a noted product of Poltava.

(6) Power

371 In the Ukraine power is almost exclusively produced by steam. Electric power is used for the tramways in Odessa and Kiev, but water-power is neglected, and electric drive for factory work is not employed.

(C) COMMERCE

(1) Domestic

(a) *General Characteristics; Markets, Fairs, &c.*

438 The trade of the Ukraine consists almost entirely in
441 the movement and marketing of the produce of the land in one form or another. One of its noticeable features is the passage of commodities through several hands before they come into use. Nowhere are found so many middlemen, salesmen, and agents. This is caused principally by the lack of capital in the hands of the producer and a general encumbrance and hypothecation of land, crops, machinery, &c. There is

9: Prothero G-4 (no date) 1920 RD1 Ukraine RD1

a very large population of Jews, who have become general tradesmen and brokers to the community. 438 441

The cereal crop is the subject of elaborate commercial transactions, and much of it is sold two or three times before it is harvested. The lack of proper storage leads to the rapid dispersal of the bulk of the surplus crop. Odessa and Nikolaev have corn exchanges where the export of the crop is financed, and there is an exchange for internal cereal trade at Yelisavetgrad.

The sugar trade is subject to Government control.. 437 A committee fixes annually the amount of sugar to be 443 placed on the home market and the distribution of 655 supplies to the refineries, the quantity so dealt with paying the minimum excise. After this allocation any surplus remaining is disposed of according to the general state of the market and the stock held over from the previous season, and is allotted for internal use or export. Russia was a signatory to the Sugar Convention of 1907, and agreed that, during the six years from the date of the convention, she should not export in all more than 1,000,000 tons. This specially affected the Ukraine as the principal sugar-producing area in Russia.

The sugar and alcohol markets are at Kiev, Kharkov, 438 and Odessa.

Wool of the finer sorts called 'Spanish' is dealt in principally at Kharkov, which is also the chief market for leather.

There is a flax market at Novozybkov in the province of Chernigov.

The principal timber markets are Yekaterinoslav and Kherson.

Odessa is a market for a great number of commodities produced in the interior, especially food-stuffs, cattle, tobacco, and vegetable oils.

The custom of transacting important business at 438 fixed fairs is of very long standing in the Ukraine, and, 443 while the importance of every fair tends to decrease at present owing to the adoption of other methods of trading, the fairs continue to be held, and, especially

CZECHOSLOVAKIA

292 Mountainous Ruthenia is a country of traditional costumes. The
531 beautiful embroideries which decorate them and their colour-effects testify to the innate artistic sense of the people. Their patterns and hues vary not only from tribe to tribe but also from village to village. Blue, brown and red are their favourite colours, but one may say that practically all the colours are represented. On weekdays their attire is rather simple. But on Sundays and festivals the space in front of the wooden church is a veritable kaleidoscope of well-blended hues. Particularly striking is the garb of the Huculs whose artistic talent also shows in their elaborate wood-carvings and in their love of music.

609 Life is hard in the mountains and forests of Carpathian Ruthenia.
574 Yet the small farmers, wood-cutters, labourers and shepherds who live there are a friendly and hospitable race. The traditional rule that a stranger who comes into a Ruthenian cottage is to be hospitably received has found a remarkable illustration in recent times. The inhabitants of one village in the South have decided that the passengers on the bus which passes through the village once a day have to be treated as guests. And so whenever the bus arrives a peasant woman with a basket full of fruit or cheese or buns is waiting at the stop to share out her eatables among the travellers.

177 In the southern part of the country life and people are different.
471 Here one comes across fields of maize, wheat and tobacco, while on the
563 sunny hills bordering on the fertile plain further south there are rich
464 vineyards. But most of this good soil is not the property of the
241 Ruthenians; they have been pushed into the mountains by the Hungarians who owe much of the land and employ the native Ruthenians as seasonal labourers. In this part of the country the population is mixed, and the Ruthenians who live here have surrendered much of their racial individuality as well as the traditional costumes. No wonder that those uplanders who moved south for economic reasons long to return to their poor but proud mountains.

369 Carpathian Ruthenia is a rural country. Even its largest towns,
655 such as Mukačevo with a State tobacco factory and other works,
438 Berehovo, the centre of the Ruthenian wine trade, Sevljuš with excellent vineyards, are essentially provincial in character.

The largest town, Užhorod, has assumed the character of a modern
361 city since it became the capital of Carpathian Ruthenia during the
341 twenty years of the Czechoslovak Republic. The government built here imposing public buildings as well as large blocks of up-to-date residential flats for its civil servants. Prominent among these representative buildings is Zemský Úrad housing the headquarters of the administration of Carpathian Ruthenia; its façade is strictly modern and its interior, particularly the Parliament Chamber and the large Reception Hall, is beautifully equipped.

This part of Užhorod is well laid out; right along the river bank